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I.—Scheme by Mr. David Chadwick (Manchester), for the Equitable Adjustment of the Property and Income Tax.

ON the 15th January last, Mr. Chadwick communicated to the Manchester Literary and Philosophical Society (Section for Statistics and Sociology), a Paper on the subject as above, and in the official abstract of proceedings, the following outline is given :—

"After briefly referring to the subject of taxation generally, the mode of raising it, and the purposes to which it was applied, and to the opinions of Adam Smith, John Stuart Mill, McCulloch, Ricardo, and others, it was held that the best description of the principle on which all taxes should be levied was the definition of Adam Smith :—'That all persons should contribute to the taxes of a country in proportion to their ability.

" 'That all taxes should be clearly defined, certain in amount, and payable in a manner most convenient to the payer.'

"On the general question of the advantages of direct and indirect taxation, it was held that, *direct taxation* enabled each person to know the exact amount of his individual contribution, and would therefore afford him the best means of judging of the necessity and justice of the national expenditure. It was collected at a very small expense—the total charge not exceeding $1\frac{1}{2}$ per cent.

"*Indirect taxation* (by customs and excise duties) was frequently oppressive and unjust in its operation, it occasioned vexatious delays in the transaction of business, adulterations, and frauds. The cost of collection was from 6 to 10 per cent.; and it was estimated that, in addition to the duties levied in many cases, the loss to merchants and traders by extra trouble, warehousing, waiting, and other impediments and restrictions, involved an additional loss of from 5 to 20 per cent. on the amount of duty.

"Mr. Chadwick proposed to carry out the principle recognized in Mr. Pitt's first income tax, and in Mr. James Wilson's scheme, by assessing the tax on a graduated scale as follows :—

"1st. To make the tax at one uniform rate on the capitalized value of all incomes.

"2nd. To classify the various sources of income according to their general average market value.

"3rd. To assess the tax by a rate on such capitalized value, instead of the present mode of assessing it on the annual income.

"4th. To apply, as far as practicable, the principle of the government legacy duty tables to all fixed incomes.

"5th. That the tax (on the repeal of the excise and customs duties) should be

applied to all incomes above 50*l.* a-year, and stopped by the employers out of the wages and salaries of all persons in their service.

" 6th. That in lieu of the present Income Tax Commissioners, there shall be in every surveyor's district, or union of districts, a paid board of three assessors, two elected by the inhabitants (in the first instance, by those on the list of parliamentary electors, and subsequently by those paying the income tax), and one by the Government, with power of appeal to the judges, in like manner as the present appeals on assessed taxes.

Proposed New Income and Property Tax.—Estimated Uniform Rate of One Halfpenny in the Pound on the Capitalized Value of all Incomes.

CLASS.	Income per Year.	Number of Years Value.	Capitalized Value.	Income and Property Tax, at One Halfpenny in the Pound on Capitalized Value.		
	£		£	£	s.	d.
Labourers and workmen	50	6	300	—	12	6
Clerk	100	6	600	1	5	—
"	300	6	1,800	3	15	—
Salesman	500	6	3,000	6	5	—
Attorney	600	7	4,200	8	15	—
Surgeon	600	7	4,200	8	15	—
Shopkeeper	400	8	3,200	6	13	4
Manufacturer	1,000	10	10,000	20	16	8
Merchant	1,000	10	10,000	20	16	8
Owner of house property	1,000	15	15,000	31	5	—
" railway stock or mort- gage	1,000	25	25,000	52	1	8
" land—farms	1,000	30	30,000	62	10	—
" Government Consols	1,000	30	30,000	62	10	—
" * annuity for life	1,000	15	15,000	31	5	—
" church living for life	1,000	12	12,000	25	—	—
" army or navy appoint- ment	1,000	10	10,000	20	16	8
" civil or military pension	1,000	8	8,000	16	13	4

* The value of life interests and annuities to be classified according to their value at 6, 10, 15, and 20 years' purchase. It is estimated that an income and property tax, at one halfpenny in the pound on the capitalized value, would produce upwards of 20 millions sterling per annum.

" Mr. Chadwick proposed to apply this scheme by imposing a tax sufficient to raise 20 millions, and to repeal the following existing duties, and impose only a nominal duty, as in the case of corn.

	£
Customs duty on Tea	producing 5,300,000
" Sugar	" 6,000,000
" Coffee	" 500,000
" other articles	" 1,800,000
Excise duty, Paper	" 1,100,000
Fire duty	" 1,800,000
	16,500,000
Amount of income tax for 1858, at 6 <i>d.</i>	" 6,600,000
Total taxes to be repealed	23,100,000

New Taxes.

Property and income tax	£	20,000,000
Estimated saving of the cost of collection of customs duties and charges	£1,800,000	
Estimated produce of new nominal duties—same as corn, for purposes of registration	1,300,000	
		<u>3,100,000</u>
		<u>23,100,000</u>

“ By this scheme the excessive duties on all articles of necessity would be removed, and the only other duties remaining would be on *Spirits, Wine, Tobacco, Malt, and Hops*,—*Corn* (1s.), the *Stamp Duties, Licenses, Assessed Taxes, &c.*, which, according to Mr. Newmarch’s schedule, would produce the remaining 40 millions.”

II.—*Proposal for a Licence Tax, suggested in 1842, in place of the Income Tax then imposed by Sir Robert Peel.*

THE following proposal of a *Licence Tax* was issued by Mr. Swinton Boulton, Liverpool, in April, 1842, and as any financial scheme bearing the name of a gentleman of Mr. Boulton’s abilities and experience is entitled to careful attention, we have great pleasure in availing ourselves of permission to add it to the contents of the *Journal*.

“ It is calculated by Sir Robert Peel, that he will derive from this source a revenue of 1,220,000*l.*

“ It is admitted by him, that its collection will entail upon the people so much that is odious and pernicious, that nothing but the necessity of the case can justify its imposition.

“ A reply to this assertion of necessity, may be taken from the speeches of Sir Robert Peel’s great exemplar and authority, William Pitt, who says, ‘ Necessity is the argument of tyrants—it is the creed of slaves.

“ But if the tax can be defended on the ground of necessity only, it follows that that plea must fail if any other mode can be pointed out by which the required amount can be raised, and the question will then cease to be one of *necessity*, and will become one of mere *expediency and preference*.

“ The thing *necessary* is to abstract directly from the professional and trading classes a revenue of 1,220,000*l.*, the *mode* in which that is to be done is secondary and relative.

“ Taxation, from its very nature, must always be distasteful to a people, but if, in return for all that is taken from them, a palpable benefit is given,—if, in short, it is made the *price* of something which before was not possessed, a great step is gained in reconciling them to its existence. It is upon this principle that indirect taxation, that is, the levying of duties on commodities, has obtained so extensively in this country, and become so congenial to the habits of our people.

“ Now in the system of finance, so far as it is direct, which is adopted in this country, there is no settled principle recognized and acted on; the sole aim has been to raise the revenue, not to make the process of doing so useful to the people. There is, therefore, something repulsive in the name of direct taxation, which, however, the evils resulting from the indirect system are tending to overcome.

"At present an attorney is taxed for a certificate, without which he cannot practice; but a barrister is subjected to no such charge. So, too, the retailer of coffee and tea must obtain a licence to sell them; but he who vends only sugar and rice, is not required to have any licence whatever. For this inconsistency it would be difficult to assign any satisfactory reason, but from the existence of the practice in some cases, a valuable hint may be drawn.

"It is allowed to be difficult to estimate correctly the amount of income enjoyed by the professional and trading classes; it is perhaps as difficult to approximate to the real number of individuals engaged in such pursuits, unless, indeed, as there is reason to anticipate, the results of the recent census shall furnish the information. The following suggestion, however, is based upon a principle which will not be affected by the *number* of persons to whom it may apply; that will operate only to determine the amount of individual contribution.

"The proposal, then, is to issue to *all professional men, and to all traders, a licence to follow their respective occupations*; the effect of the licence being to establish the fact of partnership where such exists, to prove amenability to the bankrupt laws, to entitle to take proceedings in courts of law for the enforcement of contracts; for this purpose it will of course be necessary that that document should contain the name of every partner in a concern, which might then be permitted to sue or be sued under its usual style or firm. It would be the means of establishing a registration of partnerships, the value of which all members of the legal profession will appreciate; it would simplify, and tend greatly to diminish the expense of proceedings at law; it would be an acceptable regulation to the commercial community, for which they would cheerfully pay a moderate charge; it would require the enactment of no penal consequences beyond the forfeiture of those rights and privileges which its adoption is intended to secure.

"With regard to the scale of charge, the following is submitted for the purpose of showing that a trifling contribution from each is all that is contemplated:—

	Per Ann.		
	£	s.	d.
From all persons enjoying incomes, fixed, or accruing from fees, whether in the church or the law, the naval or military service of the country, or as the officers of public institutions, whose incomes respectively amount to 2,000 <i>l.</i> (and 1 <i>l.</i> per cent. on any excess)	10	10	—
From all ditto, ditto, amounting to 1,500 <i>l.</i> and under 2,000 <i>l.</i>	7	17	6
" " " 1,000 <i>l.</i> " 1,500 <i>l.</i>	5	5	—
" " " 500 <i>l.</i> " 1,000 <i>l.</i>	2	12	6
" " " 100 <i>l.</i> " 500 <i>l.</i>	1	1	—
" Barristers, being Queen's Counsel, the sum of	10	10	—
" " not " " " "	5	5	—
" Attorneys	3	3	—
" Bankers, merchants, and manufacturers	5	5	—
" Brokers, warehousemen, and other <i>wholesale dealers</i>	4	4	—
" Retail dealers whose rent shall amount to 100 <i>l.</i> and upwards	3	3	0
" " " " 50 <i>l.</i> and not to 100 <i>l.</i>	2	2	—
" " " " 10 <i>l.</i> " 50 <i>l.</i>	1	1	—
" Public companies the sum of	100	—	—
The members of all other professions to rank as barristers, not being Queen's counsel.			

"The foregoing is intended to apply to *Ireland* as well as *England* and *Scotland*.

“ The difficulty of forming an opinion as to the amount of revenue which would thus be obtained, has already been admitted, but no one can doubt that it would be considerable; and, as affording some data for calculation, the following is hazarded as a not improbable result.

“ By the census of 1831, the population of Great Britain was declared to be about 16,000,000, and of Ireland about 8,000,000. Of the former, there were reported to be,

Occupying agriculturists employing labourers	187,075
Persons employed in manufactures, or in making manufacturers' machines	404,317
Capitalists, bankers, professional, and other educated men	
And persons employed in retail trade, or in handicrafts, as masters or workmen	1,159,867
Giving	
	<hr/> 1,965,649 <hr/>

“ As the total so occupied, exclusive of those who occupy land but do not employ labourers, of mere labourers, and of other male servants. Assuming, then, that one-fourth of those two millions would be liable to the operation of such a law, we have 500,000 as the number for Great Britain from whom contributions would be received; and taking the proportion for Ireland at one-half that for England and Scotland, or $\frac{1000000}{8} = 125,000$, we have 625,000 as the number of persons in Great Britain and Ireland according to the census of 1831, by whom these licences would be procured. The census for 1841 shows an increase in the population of Great Britain of $12\frac{1}{2}$ per cent. on that of 1831; and supposing that ratio to be maintained throughout, the 625,000 deduced from the census of 1831, will be increased one-eighth, or 78,125, and the number of persons will thus appear to be 703,125. The produce of the impost will, of course, be that number multiplied by any figure which may be taken to represent the average payment under the scale, and if 3*l.* 3*s.* be regarded as a not extravagant estimate of that average, the result to the exchequer will be $703,125 \times 3*l.* 3*s.*$ or 2,214,843*l.* 15*s.*, being one million more than the Prime Minister requires.

“ But this scheme is projected, not as a temporary expedient to supply a deficiency in the treasury, but as a permanent improvement in the enactments of our commercial law. The revenue it will produce, is to be regarded as an accident particularly acceptable at this time, and as an ample equivalent for the tax proposed to be levied on incomes accruing from fixed and tangible property. But a higher value is claimed for the suggestion than that of being merely a source of revenue; it is believed to possess other and stronger features to recommend it than those of a fiscal character. It is in this view chiefly, that it is relied on as an advantageous change, though the circumstance of its presenting a substitute for an onerous and inquisitorial impost is the inducement to propound it now, and may prove the means of obtaining for it such consideration as it may be deemed worthy to receive.”

III.—*Packet Service, 1860-1-2.—Estimate of Cost.*

WE obtain the following statement from the *Times* of 5th May, 1861 :—

“ Subjoined is an abstract of a return just issued of the estimated expense of the Post Office Packet Service for the current year. It amounts within 74,822*l.* of the enormous total of last year, the Cunard and Galway contracts granted by Lord Derby's Government absorbing exactly one quarter of the entire amount, although the Liverpool, New York, and Philadelphia Company, and other steam

lines of equal efficiency, would be willing to undertake the American service without any subsidy."

Estimate for the Post Office Department for the Year 1861-2.—Packet Service.

Contracts.		1861-2.	1860-1.
	£	£	£
I.			
Holyhead and Kingstown	—	85,900	75,750
Aberdeen and Lerwick	—	1,200	1,200
Thurso and Stromness	—	1,300	1,300
Southampton and the Channel Islands	—	4,000	4,000
Liverpool and the Isle of Man	—	850	850
Liverpool and Ramsay	—	100	
Penzance and Scilly	—	300	
Southampton and Cowes	—	750	
Ryde and Gosport	—	50	
Dunvegan and Lochmaddy	—	233	
Greenock, Portree, and Stornoway	—	200	
Stornoway and Aulbea	—	156	
Ardrossan and Arran	—	80	
Greenock, Rothesay, and Ardrishaig	—	1,260	
II.			
Dover and Calais, and Dover and Ostend	—	18,600	18,600
Southampton, Vigo, Oporto, Lisbon, Cadiz, and Gibraltar*	—	20,500	20,500
Malta and Corfu (this service ceased July 18, 1860)	—	—	3,885
III.			
Liverpool and Halifax and Boston, and to and from Liverpool and New York and Nassau	176,340		
Deduct proportion to be paid by the Government of Nassau	4,500		
		171,840	176,310
[Note.—One-half of the expense of the service between New York and Nassau (or 1,500 <i>l.</i> a-year) is to be defrayed by the Colonial Government. The contribution for the present and two previous years will be brought to account this year.]			
Galway and America (ten months only included in 1860)	—	78,000	60,000
Halifax, Bermuda, and St. Thomas's, and Halifax and St. John's, Newfoundland	—	14,700	14,700
Contract entered into by the Newfoundland Government for the conveyance of mails between Great Britain and Newfoundland (13,000 <i>l.</i>). Proportion agreed to be borne by the Imperial Government (this service has ceased)	—	—	4,000
IV.			
Southampton and the West Indies	—	238,500	238,500
For the extension of the West Indies contract to Brazils and Buenos Ayres	—	30,000	30,000

These services have heretofore been included in the general estimates for the Post Office

60,000
(Supplementary estimate.)
14,700

* By agreement this service now terminates at Lisbon. Of the 20,500*l.* nominally paid for this service, 15,500*l.* is virtually on account of the India, China, Australia, and Mauritius services.

Estimate for the Post Office Department, &c.—Contd.

Contracts.		1861-2.	1860-1.
	£	£	£
Between Turk's Island and St. Thomas's	—	300	—
West Coast of America, between Panama, Callao, and Valparaiso	—	25,000	25,000
V.			
England and the West Coast of Africa	—	30,000	30,000
„ Cape of Good Hope	—	32,400	32,400
VI.			
Between Point de Galle and Sydney	134,672		
Deduct moiety to be paid by the Colonies ...	67,336		
		67,336	135,000
Suez and Mauritius	—	—	24,000
[Note.—The payment of this service (the whole of which is chargeable to the Colonial Government) will in future be made direct by the Mauritius Post Office, instead of being advanced, as heretofore, by the Home Post Office on account of the Colony.]			
Between Australia and New Zealand	—	14,000	14,000
England and Alexandria, Ceylon, Calcutta, and Hongkong, including a branch from Marseilles to Malta	162,125		
Deduct proportion to be paid by the Indian Government	67,750		
		94,375	101,625
Between Aden and Bombay	—	22,000	22,000
Additional mails to India, by alternate weekly communication to Bombay and Calcutta	—	21,000	21,000
Additional mail monthly between Southampton and Alexandria	—	5,000	—
Additional mail monthly to and from China (for three months to June 30, 1861)	—	6,000	—
For allowances to Government agents on board the contract packets	—	5,165	9,455
Total for contracts	—	991,095	1,064,605
Packet Establishments.			
[Note.—That proportion only of the expenses of the Packet Establishments which is paid by the Post Office Department is included in the Packet Estimate for 1861-2; one-half of the salaries and allowances being now provided for by the Admiralty.]			
Dover	—	300	572
Holyhead	—	256	497
Liverpool	—	415	807
Southampton	—	724	1,131
Pensions	—	566	566
Contingencies	—	1,600	1,600
Total charge for the Post Office Department, Packet Service	—	994,956*	1,069,778

* Of this sum, taking as a basis the cost of the service when that service does not exceed the amount of the ocean postage, and in all other cases the amount of ocean postage received, about 450,000*l.* may be considered as expenditure for purely postal services.

IV.—Condition and Operations of the Bank of France, 1860.

IN a Report of the Operations of this Establishment and its Branches by Count de Germiny, the Governor, at the last general meeting, the following points were stated :—

“ In 1860, as in 1859 and 1858, the railway companies had recourse to the bank for placing their bonds, and in the three years the amount of capital raised for them was 32,000,000*l.*, of which 12,000,000*l.* in 1860. Although this latter was only to be issued in 1,023,000 bonds, the public sent in demands amounting to 1,627,817. For placing these bonds the bank received 30,000*l.*, out of which it had to pay the expenses.

“ In 1860, the total of the operations of the bank and its branches were 253,620,000*l.*, or 12,480,500*l.* less than 1859. In the course of the year the *rate of discount* was only once changed—on the 12th of November, when it was raised from $3\frac{1}{2}$ to $4\frac{1}{2}$ per cent. The amount of *bills discounted* was 203,334,260*l.*, which was 5,432,800*l.* more than in 1859. Of this amount 132,947,151*l.* were discounted in the branches, the number of bills being 1,978,103, and the average, consequently, 67*l.*; in Paris the sum was 65,849,786*l.*, the number of bills being 1,749,915, and the average 38*l.* The *minimum* amount of bills held by the bank and the branches in the course of the year was 17,142,656*l.*, on the 21st of June; and the *maximum* 23,294,268*l.*, on the 15th of November. The report then speaks of the increase in the rate of discount which took place after the 1st of January of this year (1861), of the arrangements with the Bank of England for the exchange of silver for gold, and the negotiations entered into for the same object with the Bank of St. Petersburg.

“ It next says that in 1860 the *advances on public securities* amounted to 8,581,120*l.*, those on *railway shares and bonds* to 17,258,212*l.*, and on the bonds of the *Crédit Foncier* to 222,740*l.* These items make a total of 26,062,072*l.*, and were 1,307,036*l.* less than in 1859. The amount not paid back on the 24th of December was 4,738,645*l.*

“ The *metallic reserves*, which on the 26th of December, 1859, were 22,921,592*l.*, fell in the course of the year to 16,454,836*l.*, and on the 31st of January, 1861, were only 14,167,340*l.*

The *circulation of notes*, which on the 24th of December, 1860, was 30,376,352*l.*, fell on the 21st of March to 28,171,556*l.*, which was the *minimum* of the year, and rose on the 20th of July to 32,047,380*l.*, which was the *maximum*. What is called the general movement of specie, notes, and transfers (*virements*), in the central bank was 1,008,886,480*l.*, an increase of 44,010,416*l.* compared with 1859. The number of the draughts payable on presentation and got in by the bank was 1,164,600, amounting to 60,172,000, an increase compared with 1859 of 146,600 in number, and of 8,352,000*l.* in amount. The *maximum* of accounts current in the bank and the branches was 10,239,108*l.* on the 30th of August, and the *minimum*, 6,978,100*l.* on the 26th January, both greater than in 1859. The amount of *draughts to order* drawn by the bank on the branches, and the branches on the bank, was 20,482,240*l.*, an increase over 1859 of 10,512*l.* The number of bills (including the draughts payable on presentation) collected by the bank in Paris and the suburbs was 2,684,000, which were 306,000 more than in 1859, and the amount of them was 157,320,000*l.* or 11,120,000*l.* more. The largest collection made on any day was on the 31st of October, when the number of bills was 88,190, and their amount 3,670,120, and this was the largest sum ever known since the bank existed. The great collection was made by 120 collecting clerks and a number of assistants, and they had to visit 35,600 houses. In the course of the year as many as 638,716 were visited by collecting clerks.

“ At the end of the year the amount of bills dishonoured in the central bank was only 7,561*l.*; and at the same period the number of securities deposited in the bank was 1,427,700, of the value of 30,040,000*l.* The *capital employed* in the

branches of discount, advances on security, etc., was 157,274,240*l.*, or 3,232,400*l.* more than in 1859.

"The branches in which the greatest amount of business was done were, Marseilles, where it amounted to 21,415,480, an increase compared with 1859 of 2,652,800*l.*; Bordeaux, 11,618,080, increase 86,360*l.*; Lyons, 11,289,720, diminution 1,228,120*l.*; Lille, 9,300,760, diminution 361,960*l.* In only five branches were there losses,—Agen 633*l.*, Bastia 125*l.*, Brest 276*l.*, Carcassonne 190*l.*, and Levai 29*l.*, total 1,253*l.*

"The ordinary expenses of the bank were 110,070*l.*, and of the branches 119,819, or in all 229,889*l.* These expenses, however, do not include those for the conveyance of specie, or for the subscription to the railway bonds. The dividend for the first year was 5*s.* 6*d.*, for the second 5*s.* 7*d.*, total 11*s.* 1*d.*, and this sum went to each of the 182,500 shares in the bank, which are held by 13,767 persons. After paying a compliment to the *employés* of the bank, the report concludes by announcing that new branches are about to be established at Nice, Chalons, Flers, and Annouay.

"The report was followed by one from the censors, which stated, among other things, that the number of new notes issued in 1860 for the Central Bank were 225,000 of 40*l.*, 75,000 of 20*l.*, 600,000 of 4*l.*, and for the branches 3,000 of 40*l.*; total 13,020,000, which was 3,260,000 less than in 1859; and that the notes annulled and burnt in the bank and branches were 1,001,386, amounting to 14,159,772*l.*, 1,555,272*l.* more than in 1859; also that the profits of the branch banks, 49 in number, were 400,749, an increase of 37,357 compared with 1859; and those of the central bank establishment 624,895*l.*"

V.—*Strike in the Building Trade in London, March and April, 1861 ;*
Establishment of "Hour Payments."

THE following extract from the *Daily News* of 16th April, 1861, gives an useful outline of the result of the Strike in the London Building Trades, March and April, 1861.

"A very important step has been taken towards the settlement of the disputes in the *Building Trade*. The new system of the Saturday half-holiday was commenced at Messrs. Lucas's on Saturday, and there is every reason to believe that the example thus set by the men in the employ of that firm will be very generally followed by the workmen in the building trades.

"Under the new arrangement the men work ten hours for five days, and six and a-half hours on Saturday, leaving the work at one o'clock, and for this amount of work they are paid 3*s.*, or precisely the same as they have hitherto received for working until half-past four on Saturday. They have thus obtained a diminution of the total hours of labour in the week equal to about *one-half* of that which they claimed under the *nine hours'* system. Instead of leaving work an hour earlier in each day, the men are paid off at one o'clock on Saturday, and have the rest of the day to themselves. The term of labour for each of the other five days of the week will still be ten hours. The resolution to adopt this compromise was agreed to almost unanimously at a meeting of the masons held on Friday.

"We stated last week that a large number of the workmen present at a meeting of union men had left the room, and refused to support a resolution to continue the strike for the nine hours. The secession which was then manifested has increased rapidly, and among the men employed by Messrs. Lucas and Co., Messrs. Kelk, and Sir S. Morton Peto, resolutions have been passed by considerable majorities, accepting the Saturday half-holiday and the system of payment by the hour. The strike committee declare they have perfect faith in the honourable carrying out of

the declaration of Messrs. Lucas as far as their firm is concerned, but they have distrust of the way in which their old privileges may be invaded by others. They argue that the masters insist on a nine hours' day and payment in winter, and many masters often give as little as a seven and a-half hours' day and payment, and that the *hour payment* would afford facilities for shortening their day on the part of many of the masters, and they state that they are compelled to fight the contest against Messrs. Lucas because they not only threw down the gauntlet, but are known to be the representatives of the other employers. They further contend that the proposal for hour payments is distasteful to the great body of the workmen, and as evidence of this say that at least one-half of the operatives who have turned out are now Society men.

"It is difficult to reconcile these latter statements with the fact that the number of men in the employ of Messrs. Lucas is within twenty-five of their full complement of hands. It is perfectly clear that there does not exist perfect unanimity on the subject, and that the proposition to give the Saturday half-holiday, without any diminution of wages to the men, has disarmed the hostility of a very large number of the workmen.

"Between forty and fifty workmen belonging to the different building trades of Paris arrived in London on Saturday last *via* Dover, having defrayed their own expenses of transit, in the full persuasion that they would be readily engaged by the master builders to replace the operatives who had withdrawn from their employment.

"The new arrivals appeared greatly to regret the imprudent step they had taken when informed that their services would probably be dispensed with on account of the anticipated speedy termination of the existing dispute between the masters and workmen. They stated that a considerable number of their fellow-countrymen were fully prepared to leave France with the same view on an advance of money being made for travelling charges, and protection guaranteed by the authorities against the consequences of any jealousy which might possibly be manifested towards them by the Trade Unions."

We obtain the following further paragraph from the *Times* of 18th May, 1861:—

"There is very little news to report of this dispute beyond that the masters who have adopted the hour system of payment have nearly all their full complement of men, and some who have their shops full are obliged to turn away numbers of good hands seeking for employment under the new regulations. The opposition of the Trades' Unions to the movement gets worse and worse each day. At a recent meeting of the trades on strike against the hour system, the men themselves proposed a sort of compromise, by which they said they were willing to return to work under the increased scale of wages, if the payment was calculated by the *day* instead of by the *hour*, and if the masters would consent to let them leave off work on Saturdays at 12 o'clock instead of at 1. As a matter of course, these terms were at once rejected, for the masters saw clearly that when the men had once secured their increased wages and reduced hours, six months would not elapse before the old agitation for the nine hours' movement would recommence with greater force than ever. The deputation was therefore informed that no proposition would be listened to which did not recognize the *hour system of payment* as best for both masters and men. As a proof of this fact, we may mention that some of the workmen in Messrs. Lucas's yard came the other day to the foreman, and asked that, as the evenings were long and the nights fine, they might be allowed to work twelve hours. To this Messrs. Lucas replied, that they had adopted hour payment to allow the men to work eight, nine, or ten hours as they might choose, and that their yards should always be kept open ten hours, not beyond that, unless the majority of their workmen wished. The men, however, proved to be unanimous in their desire to work twelve hours, and accordingly they now leave at 5 for tea, and return at 6 to work till 8, thus raising their

weekly earnings from 33s. to 39s. Unfortunately, this step has only exasperated the Trades' Unions to the very utmost, as the pickets and union men show by increased demonstrations of hostility to the men employed by Messrs. Lucas as they enter and leave their works."

VI.—*Adulteration of Food in the Metropolis.*

WE take the following from a daily paper, relative to the operation of the New Act against Adulteration :—

"At the weekly meeting of the Marylebone Council, held at the Court House on 11th April, 1861, Mr. Churchwarden Carr in the chair, a most important report was presented from Dr. Dundas Thomson, the medical officer of health who had been recently appointed by the board as *gas examiner* and *food analyst* to the parish of Marylebone. It was his first report upon the latter subject. The doctor stated that out of eleven samples of *milk* that were submitted to him for analysis seven were adulterated, and only four were genuine. Several of these were composed of equal parts of water and milk, while others contained one-third water, down to a fourth and less. All of these adulterations he denounced as gross frauds, and as by no means beneficial to health. Three samples of *bread* had been forwarded to him, two of which were mixed with alum. This admixture is contrary to a specific clause of another Act of Parliament, and he considered it calculated to be highly injurious to health. With regard to *butter*, at the present time it could only be obtained for London with difficulty in a genuine state, as most of that which is sold is manufactured in establishments for the purpose from unwholesome animal fat. *Coffee*, too, when ground, can scarcely be depended on, and when in the form of bean is often manufactured in a mould from adulterated ingredients. *Tea* is not only adulterated with other leaves, but exhausted tea leaves are again dried and retailed to the unprotected purchaser. *Sugar, flour, beer, spirits, &c.*, are continually sophisticated, and are rarely sold to the working classes in the state in which they are produced. After explaining the powers given under the bill, Dr. Thomson states that he should recommend that usually, when adulterations are detected, the trader should be informed of the fact that such article sold by him was adulterated, and that he is liable to prosecution should he continue to offer such an article in future to his customers, as he must then come under the designation, as described by the act, of one 'who knowingly sells adulterated articles.' It appeared to him that, by this mode of procedure, the act could be efficiently worked without undue harshness, and with regard to the health of the community. He further recommended that intimation be given to the inhabitants by printed notices of the adoption of the act, pointing out the provisions. It was resolved that the report be received and entered upon the minutes."

VII.—*Scheme of Consolidation of the Indian and Imperial Armies.*

WE take from the *Army and Navy Gazette* of 4th April, 1861, the following useful statement of the extensive and important scheme which has been at length matured for the Amalgamation of the Indian and Imperial Armies:—

"The measures for the consolidation of the Indian with the Imperial forces of Her Majesty have so nearly approached accomplishment, that we may venture to give their main features in a substantially complete form. We have from the

beginning made the public promptly acquainted with each successive stage of the process of amalgamation; we have communicated every separate decision almost as soon as it was arrived at; and in the present instance our business is not so much to inform our readers of new details to any considerable extent as to place before them, in one general view, and as succinctly as we are able, the new system by which the Queen's Army, both in Europe and in the Colonies, and in India, is to be regulated, together with the steps resolved on to provide for existing incumbents, and for the transitionary period which must elapse before all officers will have entered the military profession under the same conditions as regards service, privileges, and emoluments. The former portion of our task is by far the more simple; and it will not take us long to describe the principles and rules by which the Army of the Queen will be governed, after a sufficient time has elapsed to terminate the claims of those who, having been hitherto serving under the Indian regulations, are about to be made a constituent part of the Imperial forces.

"In future, every officer to be commissioned and every soldier to be enlisted will belong to the *general Army*, and will be available for service in any part of the empire to which the requirements of the State may call him, and in the rotation hitherto usual among the troops of the Line. In the great majority of the regiments what is called the *purchase system* will prevail as at present; but in three regiments of Cavalry and nine of Infantry, which are to be formed upon the remains of the local Indian European corps, the promotion will be regulated pretty much on the plan of the Company's service—namely, pure seniority in all but the higher ranks. In addition to this Army for general service, and the native colonial regiments now in existence for the defence of Malta, Ceylon, the West Indies, &c., there will be in India a number of irregular corps, composed of natives, but officered from the Indian Staff, of which six members will be employed in superintending the efficiency of each irregular corps. This Indian Staff will in itself form a list of officers who will volunteer to serve in it. Their qualification will consist in their belonging to a regiment serving in India, in their having previously passed two years in that country, and in their proving their fitness by means of an examination. We may obviate alarm by at once stating that the nature of this examination will be settled, not schoolmaster fashion, but by the head of the department in which it is proposed to employ the candidate; that it is intended to be practical, and having reference only to those subjects of which a knowledge is essential to the efficient discharge of the duties to be undertaken. The Staff list will be ever varying in its dimensions, and promotions in it will be regulated only by length of service. The qualifying terms are, for the rank of captain, twelve years' service, of which four must be in the Staff Corps; for major, twenty years' service, of which six must be in the Staff Corps; for lieutenant-colonel, twenty-six years' service, of which eight must be in the Staff Corps. Five years' service in the last-named rank will give a right to the rank of colonel, after which the officer's promotion is regulated by his Army seniority. The purely military Staff—the Adjutant-General's and Quartermaster-General's Departments, the Brigade Majors, and personal Staff—will be filled either by the Line as at present, or by the Staff Corps, but in every other department the Indian Staff will be composed solely of officers who have given up their regiments to join the Indian Staff Corps. Every military officer in India will therefore belong to and serve with either the Royal Artillery, Royal Engineers, one of Her Majesty's regiments of cavalry or infantry of the Line, or to the Staff Corps. Exchanges between these several services will be permitted under pretty much the same rules by which they are now regulated between one Queen's regiment and another. This, then, will be shortly and simply the position of the united Army as soon as the complications terminate which must more or less exist during the period in which two military establishments, hitherto regulated by widely different systems, are being welded into one body.

"But a considerable time must elapse before that transitionary period can be brought to a close, and so far as the existing generation of officers is concerned, the arrangements to be made—*pendente lite*, we may say—are of greater and more immediate interest than those which will ultimately come into operation. We

shall endeavour then, as briefly as is compatible with clearness, to indicate their character and probable bearing upon the services.

"We believe it may be roughly assumed that the whole of the officers of the local army are now employed either upon the Staff or with their regiments, those whose corps disappeared during the mutiny being nearly all engaged on Staff service. The rights of these officers are very rigidly and comprehensively preserved by Mr. Henley's clause in the Act of Parliament passed last year, prohibiting the enlistment of Europeans for local service. This proviso the Government appears ready to carry out fully, fairly, and unreservedly. Every officer now on the local Indian establishment, either on the Staff or with a regiment, or holding a nomination to a cadetship, will be offered the following alternatives:—1. He may become a member of the new Staff Corps, without undergoing any examination. 2. He can retain his office (if he be now on the Staff) without joining the Staff Corps, his military promotion being regulated by the vacancies which arise in his regiment, even though that regiment existed only nominally and on paper. 3. He may volunteer to be transferred in his rank to a regiment of the Line, under conditions which we shall presently specify in speaking of exchanges. It is but reasonable to conclude that the great body of the officers will accept the first or second of these alternatives. The Staff Corps will, no doubt, be selected by those who are so junior of their rank in their present regiments that their prospect of regimental promotion is not so good as it would be under the Staff Corps regulations, which insure to them an increase of rank after a certain term of service. On the other hand, those who occupy a high place in their grade in a regiment, will prefer the contingencies of regimental promotion, if in the ordinary course these contingencies may be expected to give them increased position in a shorter time than the period bringing promotion to the members of the Staff Corps. With respect to the option of volunteering into the Line, we have little doubt that the local officers will avail themselves of it, at least in sufficient numbers to fill the nine new regiments about to be created, as well as to supply the vacancies which may be placed at their disposal in the old Royal regiments by half-pay retirements and transfers therefrom to the Staff Corps. The conditions under which local officers will be allowed to exchange or be transferred to the line we may summarize thus:—

"They must be under the substantive rank of major.

"In exchanges there must not be more than seven years' disparity of age between the officers.

"An officer having the brevet rank of major or lieutenant-colonel can exchange only with another possessing equivalent brevet rank.

"As at present, an officer exchanging must enter his new regiment as the junior of his rank.

"Upon one point the ultimate decision of the authorities has not yet been arrived at, there being, we understand, difficulties in the way of carrying out the original recommendation. This was that an officer either transferred or exchanging to a purchasing regiment of the Line should be permitted to sell his commission under the same regulations as an officer originally in the Line, who had not purchased—that is to say, that he might, after three years, receive at the rate of 100% for every year of his military service until the regulation value of his commission should be reached, and after twenty years that he should become entitled to the full regulation price of his commission. The exchanging officer will, however, retain all the advantages from the Indian "Funds" to which he has contributed, as long as he may choose to be a subscribing member to these funds. His local service will count in every respect as Line service as regards his claims to half-pay or full-pay retirement. He will, in fact, step into the position of an officer of the Line, with, possibly, the exception we have named, and one other,—his widow and children will not be eligible at his decease for the pensions granted under the War Office regulations, it being considered that the object of these pensions will be met by the Indian Funds, in which the officer has acquired an interest. The officer of the Line exchanging into the local service will, like him with whom he exchanges,

be allowed to count his former service; and, should he have spent ten years in India, will acquire a right to the Indian retirements, just as if he had been originally a "Company's" officer, and his widow and children are eligible for pensions from the War Office equally as if he had not changed his regiment.

"We now come to speak of the senior officers of both armies, whose position cannot properly be said to be regimental; and the question arises, how is the amalgamation to be carried out so that a just consideration of their claims shall be observed? It appears that the vacancies on the generals officers' list of the Imperial army have not so rapid an effect as those of the Indian army upon promotion from the rank of colonel to that of major-general. Thus, in the former we have some twenty-two colonels commissioned on the 20th of June, 1854, who are still serving in the same rank; while in the Indian army the twenty-fifth colonel promoted in the following brevet (the 28th of November, 1854), has become a major-general. It was at first proposed that the colonels of the two services should be formed into one list, according to their Army seniority, and that the senior should succeed to the first vacancy, whether it arose on the Imperial or the Indian list of generals. The effect of this would in the first instance be beneficial to the colonels now at the head of the list in the Imperial service, but it is now settled that future vacancies on the generals' list will be filled up by a colonel of the particular Army, Imperial or Indian, in which they arise, until all the colonels commissioned as such before the 1st of April, 1861, shall have become major-generals. When these two separate lists shall have become exhausted, promotion to the generals' lists will be given to the senior of the united list of colonels, which will be headed by the first officer attaining that rank after the 1st of April, 1861. It happens that in each the number of effective colonels eligible for promotion is about equal to the total establishment of the generals of that service. Thus in the Line there are about 260 qualified colonels to succeed to 260 generals, and in the Indian Army a little more than 220 to succeed 220 generals. In the amalgamated armies we shall thus start with 480 colonels to take the place of 480 generals. It is intended, as in the case of the colonels, so also in that of the lieutenant-colonels, majors, and captains, that ultimately promotion should go to the senior of the united armies upon the occurrence of each death among the generals. But, with regard to the bestowal of regiments, each general officer is to be named only to a regiment of the particular branch of the service to which he himself belonged before the amalgamation.

"With respect to the Artillery and Engineers, the arrangement is simple; until the present incumbents are exhausted, a list will be kept of the Royal Artillery and Engineers, and of the similar arms of the service belonging to Bengal, Bombay, and Madras. Promotion will go in each list according to the vacancies arising in it, but when the last subaltern now serving in any one of them is promoted the step will go to the senior of the whole Artillery or Engineer service, and all future appointments will be to the Royal Artillery and the Royal Engineers respectively. In like manner, it was at first projected that as regards the medical service of India the officers now on the list of each presidency should receive their promotion as vacancies might present themselves on their particular lists, the new appointments being to the post of assistant-surgeon on the staff of the army generally; but this point is undetermined, and it is probable that a distinct commission will have to consider the future position of the medical service of India in connexion with the new military arrangements.

"The Indian Funds, the Military or Orphan and Medical Retiring Funds, are to be abolished. As soon as existing interests terminate no newly appointed officers will be allowed to subscribe to them; but those now contributing, or having a right to contribute, will have all their privileges preserved, the Government receiving the subscriptions, and making the disbursements after the same rate and manner as if there had been no amalgamation.

"Such are the principal features by which this great scheme will be regulated, both as regards its formation and permanent maintenance. In the former it appears to us every fair consideration has been shown to those interested; while in

the latter, we look forward with confidence to a system which will have a most wholesome effect in stimulating the enterprise and spirit of the middle classes of this country, will provide adequately for the service of India, and will powerfully strengthen, both in point of numbers and efficiency, the military resources of the empire."

VIII.—*Paper Mills in the United Kingdom, 1838-60.*

A RETURN of the number of Paper Mills in the United Kingdom, from 1838 to 1860, has been laid before Parliament, viz.:—

Years.	England and Wales.	Scotland.	Ireland.	Total. (United Kingdom.)
	No.	No.	No.	No.
1838	416	49	60	525
'39	414	50	55	519
'40	362	48	52	462
'41	388	48	50	486
'42	375	48	49	472
1843	369	45	50	464
'44	363	46	52	461
'45	356	42	50	448
'46	359	46	47	452
'47	360	48	45	453
1848	354	49	44	447
'49	345	50	41	436
'50	328	48	39	415
'51	327	57	37	415
'52	312	48	34	394
1853	308	52	30	390
'54	325	51	29	405
'55	328	52	29	409
'56	314	51	28	393
'57	294	52	28	374
1858	307	52	27	386
'59	308	52	25	385
'60	306	52	26	384

Memorandum on Taxation in 1858.—Errata Corrected.

In consequence of an oversight and clerical error, we have to correct an error in the foot note at p. 377 (vol. xxiii, September, 1860), in the paper by Dr. Jarvis on the Taxation in New England. The percentage referred to in the note should be "nearly 11 per cent.;" and in consequence of this error, a further correction will be required at pp. 31 and 37 *ante* of the present volume, in the passages in which Dr. Jarvis's paper is referred to.—ED. S. J.